

The Legislative Fiscal Division

Presents:

Profile of...

Legislative Branch

State of Montana



Agency Profile

Oct. 2008

This agency profile will discuss...

- structure and funding
- primary functions and
- historical expenditures

The profile also includes information on how decisionmakers can effect change in the agency's expenditures along with a listing of pertinent statistics. For an explanation of terms used in this profile, consult the "Background on the Agency Profiles" at: <http://leg.mt.gov/css/fiscal/default.asp>

General Fund Statewide Comparison FY 2008 (In Millions)



Let's begin by putting the agency's size in perspective by comparing it to state government as a whole.

Total Funds Statewide Comparison FY 2008 (In Millions)



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Section A
General Government



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What the Agency Does

The Legislative Branch consists of the Senate, the House of Representatives, the Legislative Services Division, the Legislative Fiscal Division and the Legislative Audit Division. The Senate and the House and their supporting divisions, create the laws of the state and fund and monitor all of the functions of state government. This Branch also has sixteen standing and interim committees.

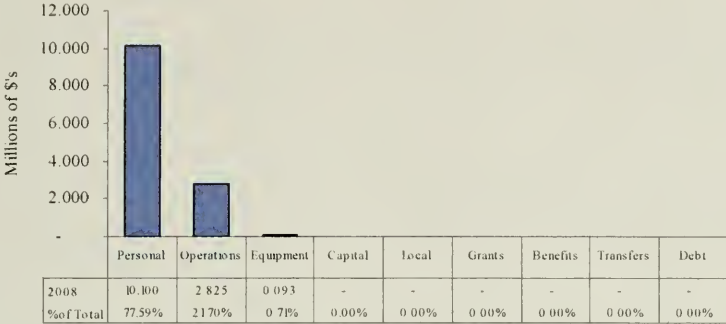
How Services Are Provided

The Legislative Branch provides these services through a structure consisting of six divisions with the following functions:



- **Legislature** – The legislature is the law-making branch of the government and is comprised of 50 Senators (4 year term) and 100 Representatives (2 year term) elected from their respective districts as specified by law. The Senate and the House meets between January and April of each odd numbered year for no more than 90 days, but may hold special sessions, as deemed necessary. Funding for the legislature is considered at the beginning of the session in House Bill 1, also known as the “feed bill”.
- **Standing and Interim Committees** - The legislature has four standing and eight interim committees. The four standing committees are: Finance, Legislative Council, Audit, and Environmental Quality. There are eight interim committees: Economic Affairs and Labor; Education and Local Government; Children, Families, Health and Human Service; Law and Justice; Energy and Telecommunications; Revenue and Transportation; State Administration and Veterans’ Affairs, and State-Travel Relations.
- **The Legislative Services Division** has five sections: Central Services, Office of Research and Policy Analysis, Legal Services, Legislative Environmental Policy Office, and Office of Legislative Information Technology. This division reports to the Legislative Council.
- **The Legislative Audit Division** has four sections: Administration, Information Systems Audit, Financial-Compliance Audit, and Performance Audit. This division reports to the Legislative Audit Committee.
- **The Legislative Fiscal Division** has four sections: Administration, Expenditure Analysis, Revenue Analysis and Information Technology, and Special Projects and Statewide Issues. This division reports to the Legislative Finance Committee.

Legislative Branch - All Funds FY 2008



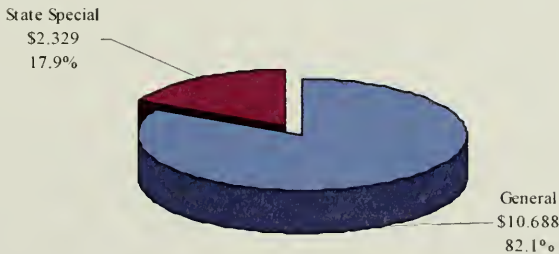
Personal services make up the majority of the agency's expenditures. Both operational expenses and personal services are higher in the odd-numbered years due to the biennial legislative session. Equipment purchases also tend to be made in the second year of the biennium.



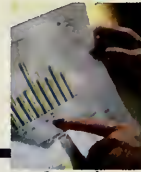
How Services Are Funded

The general fund covers most of the branch's expenditures. State Special Revenue funds cover the printing and distribution of the MCA and provision of audits.

Legislative Branch Funding by Source
FY 2008 (In Millions)



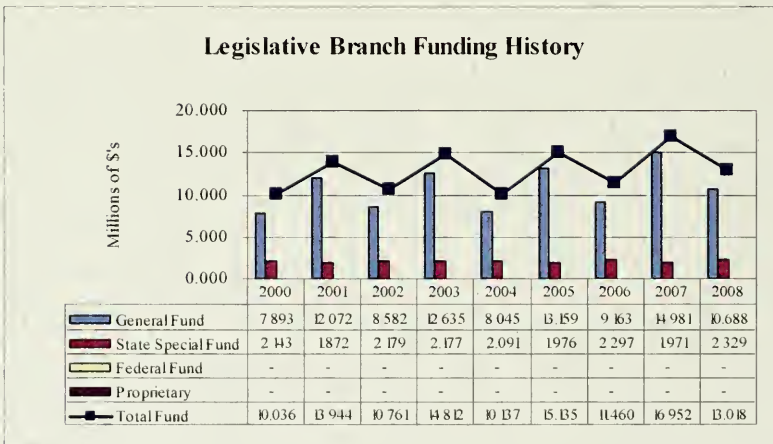
Related Data & Statistics



The following lists several pertinent statistics related to agency functions and/or customers.

| <i>Element</i> | <i>1996</i> | <i>2008</i> | <i>Significance of Data</i> |
|--|-------------|-------------|---|
| The Legislative Branch helps the legislature carry out its statutorily defined duties. | 120.27 FTE | 135.14 FTE | Workload and costs vary due to the cyclical nature of legislative sessions as well as interim projects and studies. |

Expenditure History



Reasons for Expenditure Growth/Change

- General Fund – The average growth rate for general fund expenditures was 3.9 percent for the period of 2000 through 2008. However, the expenditures in this area have increased and decreased dramatically from year to year primarily due to legislative sessions, which occur in odd number years. There were also increases due to pay plan changes, the capital renovation, and information technology upgrades.

- State Special Fund – supports the publication of the MCA text and annotations as well as the legislative audit function that charges other agencies for audits. The expenditures funded by state special funds have remained fairly constant for the period of 2000 through 2008.
- Federal Fund – this agency does not receive federal funds.



Agency Functions, State Purposes, & Customers Served

The agency is structured to perform certain functions in support of general state government purposes.

The following lists the major functions, purpose of provision of the functions, and primary customers served.

| State Purposes | Major Agency Functions | Customers |
|---|--|---|
| <i>Infrastructure— Governmental and Physical</i> | Legislative Services provides staff for the legislature and produces studies as directed by the legislature | Legislators and general public |
| | Legislative Committees and activities provides oversight and management of legislative activities during the interim | Legislative Branch and the general public |
| | Senate | General public |
| | House | General public |
| | Fiscal analysis and review provides budget and management analysis and studies as directed by the legislature | Legislators and general public |
| | Audit and examination provides financial, and performance audits of state agencies | Legislators and general public |

How the Legislature Can Effect Change



The Legislative Branch addresses its mandated duties with state employed FTE. Activity for this agency depends upon the cyclical nature of the legislative sessions, legislative interim study requirements, number and frequency of audits, and level of legislative requests.

In order to change expenditure levels and/or activity, the legislature might address laws:

- Governing how the Legislative Branch and its six divisions conduct business and respond to legislative requests
- Governing length and frequency of legislative sessions, the number of committees and/or legislative membership size, and the number of bills per session
- Addressing the policy related to “Triggers” that create the need for special legislative sessions
- Impacting policy related to the interim committees and interim studies

The legislatures less likely to control:

- Federal legislation impacting the legislative process in Montana
- Telephone or web-based inquiries from citizens and legislators
- Initiatives or legislation responding to citizen action
- Emergencies creating the need for additional resources or a special session
- Lawsuits filed against the state





Statewide Factors With Impact

In addition to the factors above, a number of factors common to many agencies will also impact changes in expenditures over time.

The Legislative Branch comprises people providing service for Montanans and their legislators. Personal service costs are the primary influence that drives expenditures. Related factors include the state pay plan and benefits, workers' compensation, and unemployment insurance. An additional factor involves the level of personnel expertise that the legislature needs to adequately do the work that is necessary in the areas of service, finance, and auditing.

Other factors driving expenses include utilities and changes in statewide fixed costs such as inflation/deflation and the cost to maintain buildings and technology.



Statutory References

The primary statutory references defining duties and responsibilities of the department are found at the following locations.

The Legislature: Title 5, MCA

Legislative Services Division: Title 5, Chapter 11, MCA

Legislative Fiscal Division: Title 5, Chapter 12, MCA

Legislative Audit Division: Article V, Section 10(4) of the 1972 Montana Constitution mandates a legislative post-audit function defined in Title 5, Chapter 13, MCA



Alternative accessible formats of this document will be provided upon request. For further information, call the Legislative Fiscal Division @ 444-2986 or visit our web site @ <http://www.leg.mt.gov/css/fiscal>



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